Tourism Business Monitor 2013

Accommodation Report

Wave 1 – Post Christmas and New Year period
Tourism Business Monitor designed to measure, monitor and understand tourism business performance and confidence and the factors which influence them.

Amalgamation of two previous surveys discontinued at end of 2011:
- England Attractions Monitor
- Accommodation Business Confidence Monitor

Telephone survey conducted five times per year immediately following key tourism periods among:
- c. 500 accommodation establishments (c. 250 serviced / c. 250 non-serviced), including mix by region, establishment size and hotels / guest houses / B&B / self-catering / caravan and campsites.
- c. 300 visitor attractions including mix by region, attraction type, size (measured by annual visitor admissions) and free / paid admission.

Questions on ‘hot topics’ included on a periodic basis.

Fieldwork dates:
**Jan 2013:** 7-13 January 2013, reviewing the Christmas and New Year period 2012
**Nov 2012:** 5-12 Nov 2012, reviewing mid-September until the end of the October
**Sept 2012:** 10-17 Sept 2012, reviewing the school summer holidays
**July 2012:** 16-24 July 2012, reviewing the period after the Jubilee bank holiday weekend until mid July
**June 2012:** 11-15 June 2012, reviewing May/ early June period, including Jubilee Bank Holiday weekend
**Easter 2012:** 16-23 April 2012, reviewing January to April period
## Accommodation sample targets (total 500)

<table>
<thead>
<tr>
<th>%</th>
<th>Serviced Accommodation</th>
<th>Non-serviced Accommodation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>100 Hotels</td>
<td>150 Guest Houses / B&amp;Bs</td>
</tr>
<tr>
<td>North (North East, North West, Yorkshire)</td>
<td>32</td>
<td>41</td>
</tr>
<tr>
<td>Midlands (East Midlands, East, Heart of England)</td>
<td>22</td>
<td>29</td>
</tr>
<tr>
<td>South (South East, South West)</td>
<td>36</td>
<td>70</td>
</tr>
<tr>
<td>London</td>
<td>10</td>
<td>9</td>
</tr>
</tbody>
</table>

- 25 hotels with over 100 bed spaces
- 60 guest houses / B&Bs with over 10 bed spaces
- 35 self-catering with over 10 bed spaces
- 40 caravan / campsites with over 100 bed spaces

This is the target sample for each wave, reflecting the profile of accommodation in England. There are minor variations wave on wave, which are corrected by weighting the profile if needed.
Overall, it seems the accommodation market is stabilising with fewer businesses reporting any change in year on year numbers for the winter holidays, than for the rest of 2012.

There is a levelling of businesses in growth against those in decline suggesting the market is starting to recover. Estimated visitor numbers are still -2% down on the same period last year, but this is an improvement compared with Summer 2012 (-6%).

The repeat visitor market remains buoyant, and hotels are successfully attracting new domestic visitors. However, other accommodation types are struggling to win new business. Reversing this trend will be the challenge for 2013.

Advance booking levels have continued to decline since tracking began in Easter 2012 and this has had a negative impact on business confidence levels (only 70% are very/ fairly confident, vs. 82% back in Sept 2012).

As such, we are seeing a proactive approach to 2013 with plans for increased investment in:

- Facilities and fittings (40%) – most notable amongst seaside resorts
- Marketing investment (22%)
- Deals and discounts (17%) – most likely amongst businesses with more bed spaces to fill
- Staff training (9%) – especially large, city based hotels. Do smaller businesses need more support in this?

Accommodation businesses seem to be embracing the digital revolution: The majority (89%) maintain a website and 56% now offer the facility to book online. Given the reduction in advance booking, should more venues seek to facilitate the booking process by offering online booking?

Use of social media is less common, although still used by a significant minority, with 37% on Facebook and 18% on Twitter.
Business Dashboard
Business Performance Dashboard: Accommodation

VISITOR NUMBERS

Visitor numbers for Christmas and NY compared with same period 2011 (%)

- **Hotels**
  - Down: 42%
  - Same: 25%
  - Up: 33%

- **Guest house/ B&B**
  - Down: 30%
  - Same: 24%
  - Up: 48%

- **Self-catering**
  - Down: 30%
  - Same: 42%
  - Up: 28%

- **Caravan/ camping**
  - Down: 25%
  - Same: 50%
  - Up: 25%

SATISFACTION

Satisfaction with Performance over Christmas and NY period (%)

- **Hotels**
  - Not at all: 31%
  - Not very: 46%
  - Quite: 78%

- **Guest house/ B&B**
  - Not at all: 38%
  - Not very: 35%
  - Quite: 73%

- **Self-catering**
  - Not at all: 38%
  - Not very: 37%
  - Quite: 75%

- **Caravan/ camping**
  - Not at all: 12%
  - Not very: 68%
  - Quite: 80%
Business Confidence Dashboard: Accommodation

PERIOD ASKED ABOUT FOR FUTURE BUSINESS CONFIDENCE
Jan 2013: Christmas and New Year period 2012
Visitor Profile
### Changing Visitor Profile (year-to-date vs. previous year): Accommodation

**Domestic visitors**
- Jan-13: 27 Up, 43 Same, 29 Down
- NET: -2

**Overseas visitors**
- Jan-13: 22 Up, 48 Same, 30 Down
- NET: -8

**Repeat visitors**
- Jan-13: 37 Up, 53 Same, 10 Down
- NET: +27

### NET: Up - Down

![Graphs showing the changes in visitor profile by month for each category: Domestic, Overseas, and Repeat visitors.](image-url)
Changing Visitor Profile (year-to-date vs. previous year):
Accommodation type

The repeat visitor market remains buoyant, and hotels are successfully attracting new domestic visitors. However, other accommodation types are struggling to win new business.

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<tbody>
<tr>
<td></td>
<td>Up</td>
<td>Same</td>
<td>Down</td>
</tr>
<tr>
<td>Hotels</td>
<td>46</td>
<td>27</td>
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<tr>
<td>Guest Houses / B&amp;Bs</td>
<td>27</td>
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<tr>
<td>Self-Catering</td>
<td>23</td>
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<tr>
<td>Caravan / Camping</td>
<td>13</td>
<td>48</td>
<td>39</td>
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Past Performance
Visitor numbers: Year-on-year changes

The accommodation market seems to be starting a slow recovery, with almost as many businesses reporting an increase in visit numbers as reporting a decline.

The chart shows the percentage of businesses reporting different changes in visit numbers compared to the previous year. The categories are:
- **Up**
- **Slightly up**
- **Exactly same**
- **Slightly down**
- **Down**

**Jan 2013**
- 23% Up
- 9% Slightly up
- 34% Exactly same
- 9% Slightly down
- 25% Down

**Full year 2012**
- 36% Up
- 4% Slightly up
- 20% Exactly same
- 3% Slightly down
- 37% Down

The chart also indicates the percentage changes for specific periods:

- **Easter 2012**: 33% Up, -36% Down
- **June 2012**: 30% Up, -38% Down
- **July 2012**: 23% Up, -53% Down
- **Sept 2012**: 22% Up, -53% Down
- **Nov 2012**: 33% Up, -41% Down
- **Jan 2013**: 32% Up, -34% Down
- **YTD 2012**: 40% Up, -40% Down

**PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE**

- **Jan 2013**: Christmas and New Year period 2012
- **Nov 2012**: Mid-September until the end of October
- **Sept 2012**: School summer holidays
- **July 2012**: Jubilee bank holiday weekend until mid July
- **June 2012**: May and early June until after Jubilee Bank Holiday
It seems the market is stabilising somewhat, with fewer businesses reporting any change in visitor numbers than during the rest of 2012.
Changing business performance: By accommodation type & bed spaces

Comparative business performance has remained fairly consistent with last wave, with the exception of large accommodation businesses, which report a decline.

**ACCOMMODATION TYPE**

<table>
<thead>
<tr>
<th>% Visitors up on last year</th>
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<tbody>
<tr>
<td>Hotel</td>
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<tr>
<td>43</td>
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<td>35</td>
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</table>

**% Very Satisfied**

| Hotel       | Guest / B&B | Self catering | Caravan / camping |
| 46          | 41          | 33          | 28          | 40          | 37        |
| 39          | 31          | 25          | 11          | 31          | 13        |
| 25          | 32          | 18          | 26          | 28          | 31        |

**BED SPACES**

<table>
<thead>
<tr>
<th>% Visitors up on last year</th>
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<tbody>
<tr>
<td>Up to 10 bedspaces</td>
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<td>24</td>
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<td>24</td>
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<td>20</td>
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<table>
<thead>
<tr>
<th>% Very satisfied</th>
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</thead>
<tbody>
<tr>
<td>Up to 10 bedspaces</td>
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<tr>
<td>34</td>
</tr>
<tr>
<td>33</td>
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<td>45</td>
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</table>
Visitor Numbers: Year-on-year changes (%)

The overall picture continues to improve, with visitor numbers only reported to be -2% down vs. the same period last year, compare with -6% for the Summer holiday period.

The chart shows the distribution of visitor numbers for the full year 2012 and January 2013, with categories for percentage changes: Over 50%, 31-50%, 21-30%, 11-20%, 5-10%, and Less than 5%. The chart indicates a net decrease of 1% for January 2013.
**Visitor numbers: Degree of year-on-year changes by accommodation type**

B&B’s report a poor Christmas period but other types of accommodation remain on a par with the same period last year.

### Hotels
- **Full year 2012:** 56
- **Jan 2013:** 42
- **NET % change:** 1%

### B&B
- **Full year 2012:** 40
- **Jan 2013:** 30
- **NET % change:** -1%, -8%

### Self-catering
- **Full year 2012:** 34
- **Jan 2013:** 30
- **NET % change:** -2%, 2%

### Caravan/Camping
- **Full year 2012:** 25
- **Jan 2013:** 25
- **NET % change:** -8%, 1%
Case Study: Lupine Cottage

50% increase in visitors during 2012 compared with the same period in 2011

We’re constantly maintaining and improving our accommodation. Currently we’re renovating our windows, and then we will be fully redecorating. We’re also looking to improve one of our smaller bedrooms this year.

I think what initially attracts visitors to stay with us is our very competitive prices, which is really working in our favour during this tough economic climate. The personal touches and the attention to detail are what keep people coming back. I leave tea, and biscuits from the local baker for guests, and I also ensure that I personally greet new guests staying in the cottage. I leave a Guestbook in the cottage for people to write comments on their stay in, and also have a separate maintenance book where people can write in anything that needs doing to the cottage. I think people really appreciate those details.

Finally, in terms of marketing, we advertise through iknow-Yorkshire’s website which has really helped boost our numbers. I ensure I send a link to our own website to anyone who enquires/books through iknow-Yorkshire so that they can find out more.
Positive verbatim comments on business performance: Accommodation

The staff are readily available for the guests and we deal with customers’ needs.

We are cheaper than competitors and we’ve dropped the prices. The weather was good also; it wasn't snowing. Also public events at our pub that drew in bed and breakfast customers.

The extra work we are doing on the place - the improvements we have made have all reflected in positive telephone conversations we have had with the guests.

We’ve had a lot of repeat visitors. We are good on trip advice and our Christmas packages are family oriented.

Bookings through late rooms.com have doubled our business.

Everything we did was well executed, very organised, with effective promotion...all round good service and good reputation.
Negative verbatim comments on business performance: Accommodation

Because nobody has the money to come on holiday. It's just the money.

Just due to the economy at the moment. People are holding onto their money because they don’t know what's around the corner.

I just think the economy is hitting us a lot in England

Generally peoples’ attitudes are changing. They have less money and a wet winter makes people think of going abroad.

The trade’s just not there and there’s other competition in town.

The performance has been nil because of the weather. It's been the weather that's stopped it.
Future Performance
Advance booking levels continue to fall, reflecting the financial pinch point that many consumers feel over Christmas.

**Advance booking levels: Accommodation**

Advance booking levels continue to fall, reflecting the financial pinch point that many consumers feel over Christmas.

**Survey conducted:** Easter 2012 | June 2012 | July 2012 | Sept 2012 | Nov 2012 | Jan 2013
---|---|---|---|---|---
Period asked about: Until after Jubilee bank hol | Until start of summer hols | Until end of summer hols | Until end of October | Until end of the year | Until the end of Easter
Confidence for forthcoming period: By accommodation type

Advance bookings remain poor across accommodation types, but we see a boost in confidence amongst caravan/campsites.

CONFIDENCE: For period up until the end of the year

% Very confident


Hotel | Guest house / B&B | Self catering | Caravan / camping

ADVANCE BOOKINGS

% Very good / good


Hotel | Guest house / B&B | Self catering | Caravan / camping
Confidence & bookings for forthcoming period: By accommodation size

Businesses with 10 or fewer bed spaces have the poorest levels of advance bookings, having declined steadily since Easter 2012.

**CONFIDENCE: For period up until the end of the year**

**% Very confident**

- Up to 10 bedspaces
- 11-100 bedspaces
- Over 100 bedspaces

**ADVANCE BOOKINGS**

**% Very/ fairly good**

- Up to 10 bedspaces
- 11-100 bedspaces
- Over 100 bedspaces
Confidence and advance booking levels remain highest amongst large town/city businesses – perhaps more weather proof locations?

Confidence for forthcoming period: By location

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I'm hoping the weather will be better and that will bring people here.

We're on Secret Escapes and various other sites like Booking.com etc. and we've got many bookings through these sites.

With the publicity that we are going to have it’s bound to bring in the extra trade.

We are fully booked for the Easter weekend. We have lots of repeat business and customers are pre-booking - we are fully booked for 2013.

Because we have re-organised our marketing strategy. Where we used to rely on word of mouth, we now use the internet and we’ve modified our pricing.

I am hoping that the economy will improve and therefore people will have more disposable income. Also the labour party conference will bring in corporate clients.

I'm hoping that 2013 will be very good because we've recently opened a two bedroom holiday cottage next door.
I think it is going to be a tough time ahead. People are coming for shorter breaks which doubles my expenses.

Not very hopeful at all. I've not got a computer so I'm not on the internet so this is why I know the business is in decline.

The market is flooded with cottages and farmers are turning their buildings (cow sheds, etc.) into holiday accommodations.

I think people have pushed out as much as they can for Christmas and I think between now and Easter people will not be spending.

People can get cheaper holidays abroad and better weather. It never stops raining here!

People are not spending the money. It’s all because of the recession generally.
Business optimism for 2013

Optimism for business in 2013 as a whole is fairly low and has fallen since November.
Planned business changes in the coming year: **Accommodation**

The principal investment of accommodation businesses in 2013 will be in infrastructure.

<table>
<thead>
<tr>
<th>Area</th>
<th>Decrease</th>
<th>No Change</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff training</td>
<td>9</td>
<td>86</td>
<td>1</td>
</tr>
<tr>
<td>Investment in facilities/fittings</td>
<td>40</td>
<td>55</td>
<td>5</td>
</tr>
<tr>
<td>Marketing investment</td>
<td>22</td>
<td>70</td>
<td>6</td>
</tr>
<tr>
<td>Deals and discounts</td>
<td>17</td>
<td>79</td>
<td>1</td>
</tr>
</tbody>
</table>
Planned business changes in the coming year: **Staff training**

Large, city based hotels are the most likely to increase investment in staff training. Smaller businesses may need more support in this?
Planned business changes in the coming year: Investment in facilities/fittings

Intention to increase investment in infrastructure across the board – but most notable for seaside resorts.
Planned business changes in the coming year: Marketing investment

Investment in marketing is apparent across the board.

### Increase in investment

- **Hotel**: 31
- **B&B**: 19
- **Self-catering**: 24
- **Caravan/camping**: 18
- **Seaside**: 22
- **Large town/city**: 22
- **Small town**: 29
- **Countryside/village**: 22
- **Up to 10**: 20
- **11-100**: 25
- **Over 100**: 24

### Decrease in investment

- **Hotel**: -3
- **B&B**: -7
- **Self-catering**: -7
- **Caravan/camping**: -4
- **Seaside**: -4
- **Large town/city**: -4
- **Small town**: -6
- **Countryside/village**: -7
- **Up to 10**: -7
- **11-100**: -4
- **Over 100**: -2
Planned business changes in the coming year: Discounts and deals for your business

Pricing promotion is most likely amongst businesses with more bed spaces to fill.
9 in 10 accommodation businesses have their own website and nearly half of these accept online bookings. In addition, social media is leveraged by 38% (Facebook or Twitter).
Online and digital marketing tools – By type

Hotels are more likely to be digitally equipped than other accommodation business types and are almost twice as likely to have a Facebook page than the other types of venue.

- **Its own website**
  - Hotels: 98%
  - B&B: 91%
  - Self-catering: 88%
  - Caravan/Camping: 79%

- **NET: Any online booking**
  - Hotels: 84%
  - B&B: 56%
  - Self-catering: 49%
  - Caravan/Camping: 37%

- **Option to book online via own or agency**
  - Hotels: 68%
  - B&B: 45%
  - Self-catering: 41%
  - Caravan/Camping: 21%

- **Option to book online via a 3rd party site**
  - Hotels: 77%
  - B&B: 45%
  - Self-catering: 30%
  - Caravan/Camping: 29%

- **A Facebook page**
  - Hotels: 72%
  - B&B: 32%
  - Self-catering: 22%
  - Caravan/Camping: 36%

- **A Twitter account**
  - Hotels: 47%
  - B&B: 11%
  - Self-catering: 12%
  - Caravan/Camping: 12%

- **A mobile optimised site and/or app**
  - Hotels: 26%
  - B&B: 12%
  - Self-catering: 10%
  - Caravan/Camping: 11%

- **None of the above**
  - Hotels: 1%
  - B&B: 8%
  - Self-catering: 7%
  - Caravan/Camping: 18%
Online and digital marketing tools – By Location

<table>
<thead>
<tr>
<th>Feature</th>
<th>Seaside</th>
<th>City</th>
<th>Small town</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Its own website</td>
<td>91</td>
<td>90</td>
<td>94</td>
<td>87</td>
</tr>
<tr>
<td>NET: Any online booking</td>
<td>56</td>
<td>69</td>
<td>69</td>
<td>51</td>
</tr>
<tr>
<td>Option to book online via own or agency website</td>
<td>43</td>
<td>59</td>
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<tr>
<td>Option to book online via a 3rd party site</td>
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<tr>
<td>A Facebook page</td>
<td>38</td>
<td>37</td>
<td>46</td>
<td>35</td>
</tr>
<tr>
<td>A Twitter account</td>
<td>16</td>
<td>24</td>
<td>27</td>
<td>16</td>
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<tr>
<td>A mobile optimised site and/or app</td>
<td>12</td>
<td>31</td>
<td>15</td>
<td>11</td>
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<tr>
<td>None of the above</td>
<td>8</td>
<td>6</td>
<td>4</td>
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</table>

City and town based sites are more likely to take online bookings.
Online and digital marketing tools – By Number of Bed Spaces

Websites are common across the board, but larger venues are more likely to have websites that are optimised for mobiles/to offer an app, to accept online bookings and use social media.

- **Its own website**: 86%, 93%, 90%
- **NET: Any online booking**: 47%, 64%, 73%
- **Option to book online via own or agency website**: 35%, 52%, 56%
- **Option to book online via a 3rd party site**: 34%, 52%, 61%
- **A Facebook page**: 24%, 52%, 51%
- **A Twitter account**: 10%, 24%, 39%
- **A mobile optimised site and/or app**: 8%, 18%, 29%
- **None of the above**: 10%, 6%, 5%
### Performance and confidence snapshot: January 2013

<table>
<thead>
<tr>
<th></th>
<th>Visitor Numbers (January)</th>
<th>Visitor Numbers (2012)</th>
<th>Confidence (End of Easter)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Up</td>
<td>Same</td>
<td>Down</td>
</tr>
<tr>
<td><strong>TOTAL (%)</strong></td>
<td>32</td>
<td>34</td>
<td>34</td>
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<tr>
<td><strong>Type (%)</strong></td>
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<tr>
<td>Hotel</td>
<td>42</td>
<td>25</td>
<td>33</td>
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<tr>
<td>Guest / B&amp;B</td>
<td>30</td>
<td>24</td>
<td>48</td>
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<tr>
<td>Self catering</td>
<td>30</td>
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<td>28</td>
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<tr>
<td>Caravan / camping</td>
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<td>50</td>
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<tr>
<td><strong>Bed-spaces (%)</strong></td>
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<tr>
<td>Up to 10</td>
<td>29</td>
<td>36</td>
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<td>11-100</td>
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<tr>
<td>Over 100</td>
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<td><strong>Grading (%)</strong></td>
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<tr>
<td>5 star</td>
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<tr>
<td>4 star</td>
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<td>Budget / other</td>
<td>28</td>
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<tr>
<td><strong>Location (%)</strong></td>
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<td>Seaside</td>
<td>29</td>
<td>34</td>
<td>37</td>
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<tr>
<td>Large town / city</td>
<td>46</td>
<td>27</td>
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